

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Competitive Bidding Procedures for)	AU Docket No. 13-53
Auction 902 and Certain Program Requirements))	

COMMENTS OF GENERAL COMMUNICATION, INC.

General Communication, Inc. (“GCI”) comments on the Public Notice issued by the Wireless Telecommunications and Wireline Competition Bureaus (“the Bureaus”) in the above-captioned proceeding.¹ GCI comments on two of the Bureaus’ specific proposals. First, with a brief mention in a footnote, the Bureaus proposed to effectively change the Commission’s definition of “Tribal lands” and limit Auction 902 eligibility to only the “Annette Island Reserve and Alaska Native village statistical areas,” which would exclude hundreds of otherwise eligible census blocks, affecting as many as 10,000 residents of Alaska Native regions. GCI urges the Bureaus to conform to long-standing Commission rules and precedent, reject that proposal, and make all populated, unserved census blocks within “Alaska Native regions established pursuant to the Alaska Native Claims Settlement Act” eligible for Tribal Mobility Fund Phase I support.² Second, the Bureaus should allow bidders in Alaska to aggregate one or more contiguous census blocks within a census tract to create a geographic bidding area, rather than requiring bids on a large volume of individual census blocks or all-or-nothing bids on Alaska’s extremely large census tracts.

¹ Comment Sought on Competitive Bidding Procedures for Auction 902 and Certain Program Requirements, Public Notice, AU Docket No. 13-53 (March 29, 2013) (“*Auction 902 Public Notice*”).

² *Id.* ¶ 18 n.38 (citing 47 C.F.R. § 54.400(e)).

I. CONSISTENT WITH COMMISSION RULES AND PRECEDENT, ALL UNSERVED, POPULATED CENSUS BLOCKS IN ALASKA NATIVE REGIONS SHOULD BE ELIGIBLE FOR AUCTION 902.

The *USF/ICC Transformation Order* established Tribal Mobility Fund Phase I, which according to the Order “stems from the Commission’s policy regarding ‘Covered Locations,’ and represents our commitment to Tribal lands, *including Alaska*.”³ Consistent with Commission precedent and Part 54.5 of its rules, the Order defined “Tribal lands” to include “Alaska Native regions established pursuant to the Alaska Native Claims Settlement Act (85. Stat. 688).”⁴ Contrary to the long-standing definition of Tribal lands adopted in the *USF/ICC Transformation Order*, and without any discussion, the *Auction 902 Public Notice* proposes to limit that definition to only certain carved-out areas in Alaska Native regions, namely “the Annette Island Reserve and Alaska Native village statistical areas, areas where federally recognized Alaska Native villages are located within the Alaska Native regions.”⁵

This definitional change is far from academic. As illustrated by the attached map on Attachment A, the Bureaus’ proposal excludes many areas of Alaska. GCI estimates that the limitation on the “Tribal lands” definition will leave out approximately 500 populated, unserved census blocks that are located within areas that the Commission has defined as “Tribal lands,” *i.e.*, “Alaska Native regions established pursuant to the Alaska Native Claims Settlement Act in Alaska Native regions.” GCI estimates that the proposed change will affect approximately 10,000 residents in Alaska Native regions.

³ *USF/ICC Transformation Order* at ¶481 (emphasis added).

⁴ *Id* ¶ 126 n.197. *See also* 47 C.F.R. §§ 1.2100 and 54.400(e) (defining tribal lands to include “Alaska Native regions established pursuant to the Alaska Native Claims Settlement Act”).

⁵ *Auction 902 Public Notice*, ¶ 18 n.38

The Bureaus' proposal is most certainly an attempt to address the enormous census tracts in Alaska and to "create biddable geographic areas closer in scale to minimum buildout areas than census blocks would be." In Auction 901, the Bureau dealt with this issue by requiring participants to bid on individual census blocks in Alaska, rather than on census tracts as was the case in the rest of the country. That solution resulted in a disproportionately large number of bids in Alaska, which not only created administrative and financial burdens, but it also failed to correspond to typical buildout areas. Here, the Bureaus propose to bundle unserved census blocks into census tracts and parts of census tracts within different Tribal lands for bidding.⁶ While GCI appreciates the time and attention that the Bureau has paid to many of the unique issues created by the Commission's attempt to fit the square peg of Alaska into the round hole of national high-cost reform, this particular solution will exclude otherwise eligible areas from participation in Tribal Mobility Fund Phase I. Though administratively easier, that cannot be the correct result.⁷

II. ALLOW BIDDERS TO AGGREGATE CONTIGUOUS ELIGIBLE CENSUS BLOCKS IN ALASKA

The Bureaus should allow bidders in Alaska to aggregate one or more contiguous census blocks within a census tract to create a geographic bidding area, rather than requiring bids on a large volume of individual census blocks or all-or-nothing bids on Alaska's extremely large census tracts. Bidders will have a natural incentive to bid on a grouping of census blocks that

⁶ *Auction 902 Public Notice* ¶¶ 33–34.

⁷ If the Commission had intended to make such a large change to established precedent, it would have needed to provide notice and to seek comment pursuant to the Administrative Procedure Act. *See generally Prometheus Radio Project v. FCC*, 652 F.3d 431 (3d Cir. 2011).

corresponds to a typical buildout area. Allowing the aggregation of only contiguous, unserved, and populated census blocks will prevent carriers from packaging large numbers of geographically dispersed census blocks.⁸

If the Bureau chooses not to adopt GCI's proposal for Alaska, GCI asks the Commission to allow Alaskan carriers to bid by census tract as is done elsewhere.⁹

Respectfully submitted,

/s/

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⁸ Though GCI continues to believe that the best solution would be to allow fully carrier-defined combinatorial bidding to harness geographic economies of scale and to prevent the balkanization of network infrastructure, See GCI USF/ICC Transformation FNPRM Comments at 16, WC Docket 05-337; WC Docket 10-90; WT Docket 10-208 (filed January 18, 2012), we recognize that such a mechanism would lack the benefits of speed and simplicity achieved by the Bureaus' proposed procedures.

⁹ Should the Commission require providers in Alaska to bid only on a block by block basis, it should attempt to ease the administrative burdens of doing so. For example, there is no reason to require letters of credit for every individual census block. Indeed, GCI sees no good reason for requiring more than one letter of credit for each winning bidder regardless of the number of winning bids.